

EXHIBIT "3"

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E-filed on January 18, 2007

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 Security Holders of USA Capital Diversified Trust
 Deed Fund, LLC*

**UNITED STATES BANKRUPTCY COURT
 DISTRICT OF NEVADA**

In re:
 USA COMMERCIAL MORTGAGE COMPANY,
 Debtor.

In re:
 USA CAPITAL REALTY ADVISORS, LLC,
 Debtor.

In re:
 USA CAPITAL DIVERSIFIED TRUST DEED
 FUND, LLC,
 Debtor.

In re:
 USA CAPITAL FIRST TRUST DEED FUND, LLC,
 Debtor.

In re:
 USA SECURITIES, LLC,
 Debtor.

Case No. BK-S-06-10725 LBR
 Case No. BK-S-06-10726 LBR
 Case No. BK-S-06-10727 LBR
 Case No. BK-S-06-10728 LBR
 Case No. BK-S-06-10729 LBR

Chapter 11

Jointly Administered Under
 Case No. BK-S-06-10725-LBR

**OBJECTION OF THE OFFICIAL
 COMMITTEE OF EQUITY
 SECURITY HOLDERS OF USA
 CAPITAL DIVERSIFIED TRUST
 DEED FUND, LLC, TO MOTION
 FOR ORDER SHORTENING TIME
 FOR HEARING ON ESTATE OF
 DANIEL TABAS' AND FERTITTA
 ENTERPRISES, INC.'S MOTION
 FOR RELIEF FROM THE
 AUTOMATIC STAY TO
 TERMINATE THE LOAN
 SERVICING AGREEMENT FOR
 THE DIRECT LOAN TO COLT
 GATEWAY, LLC**

Affects:

- ☐ All Debtors
☒ USA Commercial Mortgage Company
☐ USA Securities, LLC
☐ USA Capital Realty Advisors, LLC
☒ USA Capital Diversified Trust Deed Fund, LLC
☐ USA First Trust Deed Fund, LLC

Date: OST PENDING
 Time: OST PENDING
 Courtroom: 1

1 The Official Committee of Equity Security Holders of USA Capital Diversified Trust
2 Deed Fund, LLC (the "Diversified Committee"), by and through its counsel, Orrick, Herrington
3 & Sutcliffe LLP, hereby submits this Objection Of The Official Committee Of Equity Security
4 Holders Of USA Capital Diversified Trust Deed Fund, LLC, To Motion For Order Shortening
5 Time For Hearing On Estate Of Daniel Tabas' And Fertitta Enterprises, Inc.'s Motion For
6 Relief From The Automatic Stay To Terminate The Loan Servicing Agreement For The Direct
7 Loan To Colt Gateway, LLC ("Objection").

8 Moving parties, the Estate Of Daniel Tabas' And Fertitta Enterprises, Inc. ("Movants")
9 seek to have their motion for relief from stay to terminate the servicer on the Colt Gateway loan
10 heard on shortened time. The only stated reason for the emergency is that the "transition will
11 take time. Movants would like to change the servicer while Debtor is still servicing the loan."
12 Motion for Order Shortening Time, page 2, lines 6 and 7.

13 Movants proceed on the assumption that because the Colt Gateway loan was not sold to
14 Compass, USA Commercial Mortgage Company ("USACM") will continue to service the loan.
15 That assumption is entirely incorrect as the loan servicing rights to the Colt Gateway loan are
16 transferred under the Plan of Reorganization to the post-Effective Date USA Capital Diversified
17 Trust Deed Fund, LLC ("Diversified Fund"), the holder of a 42.53% direct lender interest in the
18 Colt Gateway loan. Movants are well aware of the fact that the Diversified Fund will become
19 the loan servicer after the Effective Date of the Plan of Reorganization as many discussions
20 about that fact have occurred, however, Movants chose not to inform the Court of this material
21 fact.

22 The Diversified Committee opposes the motion to shorten time for the following
23 reasons:

- 24 1. The Diversified Committee intends to oppose the underlying motion for relief
25 from stay and needs adequate time to prepare such opposition.
- 26 2. Movants could have filed their motion for relief from stay at any time before now
27 – procrastination of the part of the Movants should not constitute an emergency
28 on the part of the Court.

- 1 3. The underlying motion for relief from stay is highly dependent upon the many
2 facts laid out in the motion (most of which are unsupported by evidence), many
3 of which are disputed, and the Diversified Committee would like to have the
4 opportunity to consult with the Debtors about a factual showing in opposition to
5 the motion for relief from stay and to possibly conduct 2004 examinations
6 bearing upon the motion for relief from stay.
- 7 4. Once the Plan of Reorganization becomes effective, Movants will no longer be
8 constrained by the automatic stay and the motion for relief from stay will become
9 moot. But for the stay upon appeal obtained on an ex-parte basis yesterday by
10 counsel for the Movants, among others, the Plan of Reorganization would
11 become effective in mid-February. Movants have shown no reason why the
12 Court should have to consider the relief from stay motion in order to give
13 Movants an additional week or two earlier than the Effective Date of the Plan of
14 Reorganization to take action.
- 15 5. The Diversified Committee is informed by the Debtors that Mr. Allison is in
16 active negotiations for repayment of the Colt Gateway loan. If the loan is repaid,
17 the motion for relief from stay will become moot.
- 18 6. The Diversified Committee respectfully suggests that the true reason that
19 Movants seek to have the matter heard before the Effective Date is that Movants
20 would like to take action to remove USACM based upon the alleged failure of
21 USACM to take action as the servicer, and Movants would like to avoid the
22 additional arguments against termination of the servicer that the Diversified Fund
23 would make when it becomes the servicer of the Colt Gateway loan. This is not a
24 proper reason to shorten time.

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1 For the reasons stated above, the Diversified Fund respectfully requests that the Court
2 deny Movants' motion to shorten time.

3 DATED this 18th day of January 2007.

4 ORRICK, HERRINGTON & SUTCLIFFE LLP

5 By: /s/ Jeffery Hermann

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